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Information on United Nations system technical cooperation expenditures, 2006

Summary

This report presents a summary of technical cooperation expenditure of the United Nations system. In particular, it gives an analysis of technical cooperation provided by UNDP, UNFPA, the United Nations Children's Fund (UNICEF), the World Food Programme (WFP) and other specialized agencies, funds and programmes.

For the purposes of this report, technical cooperation assistance is the summation of field programme expenditure, which now includes general management service for UNDP but possibly not for other agencies. The World Bank/International Development Association is excluded from this definition of technical cooperation, since its contributions are viewed as free-standing, grant-free assistance aimed at expanding the 'software' aspects of development. The World Bank/IDA does, however, offer a category of assistance specifically geared to backstop its large-scale programmes and projects. A comprehensive breakdown of those programmes and projects is presented in table 23 of the addendum to the present report (DP/2007/42/Add.1).

The analysis provided in this document is based on the data presented in the annex to the present report and in the addendum.

The Executive Board may wish to take note of the present report.

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I. Highlights

1. In 2006, technical cooperation between the United Nations system (excluding the World Bank Group) and programme countries was $12.3 billion. This represented a small increase in the level of expenditure over the $12.2 billion expended during the previous year. The summary statistics on technical cooperation expenditure and contributions over the five-year period 2002 to 2006 present a picture of multi-year trends. While specialized agencies, funds and programmes reported a decrease of 7 per cent, from $3.3 billion in 2005 to $3.1 billion in 2006, UNDP reported an increase in delivery from $3.7 billion in 2005 to $4.1 billion in 2006. WFP once again reported a decline in technical assistance delivery of 8 per cent from $2.9 billion in 2005 to $2.7 billion in 2006. Following the peak of $3.3 billion reached in 2003, technical cooperation delivered by WFP contracted in 2004, and that trend has continued. UNICEF reported an increase of 6 per cent, from $1.9 billion in 2005 to $2.1 billion in 2006. UNFPA posted an increase of 1 per cent, from $388.0 million in 2005 to $392.1 million in 2006. An analysis of the 5-year growth of technical cooperation delivered by the agencies, funds and programmes is shown in figures 1 and 2.

2. World Bank/IDA assistance to developing nations in 2006 amounted to $162.3 million. This represented a decrease of 52 per cent over the 2005 figure of $336.6 million. Beginning in 1998, the World Bank/IDA took the decision to stop recording expenditures specifically for technical cooperation activities. Thereafter, summary data submitted represented a combination of loans and grants related to assistance preceding, or combined with, large-scale programmes and projects.

3. Technical cooperation delivery in 2006 was spread over five regions. Africa received $3.5 billion from the total delivered technical assistance of $12.3 billion, equivalent to 27 per cent. The next largest recipient was Asia and the Pacific, which received $2.5 billion or 20 per cent. Arab States accounted for $2.3 billion or 19 per cent, Latin America and the Caribbean received $2.1 billion or 10 percent and Europe received $579 million or 5 per cent. Interregional and global initiatives accounted for the balance of technical cooperation expenditure. Out of the total technical cooperation delivered, WFP reported a 22 per cent share at $2.7 billion, UNICEF provided 16 per cent at $2.1 billion, and UNFPA 3 per cent at $392.1 million. UNDP accounted for $4.1 billion, equivalent to 33 per cent, and the combined balance of the other specialized agencies, funds and programmes was $3.1 billion, equal to approximately 26 per cent of the total.

Figure 1. United Nations system overall technical cooperation expenditure - five year trend, 2002-2006

(in millions of dollars)

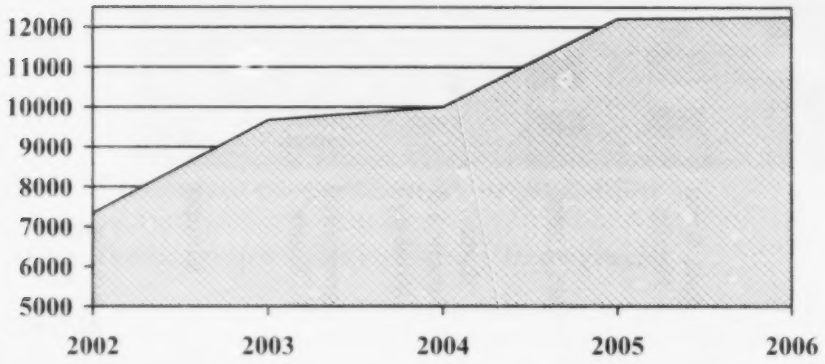


Figure 2. United Nations system technical cooperation expenditure, 2002-2006: by organization

(in millions of dollars)

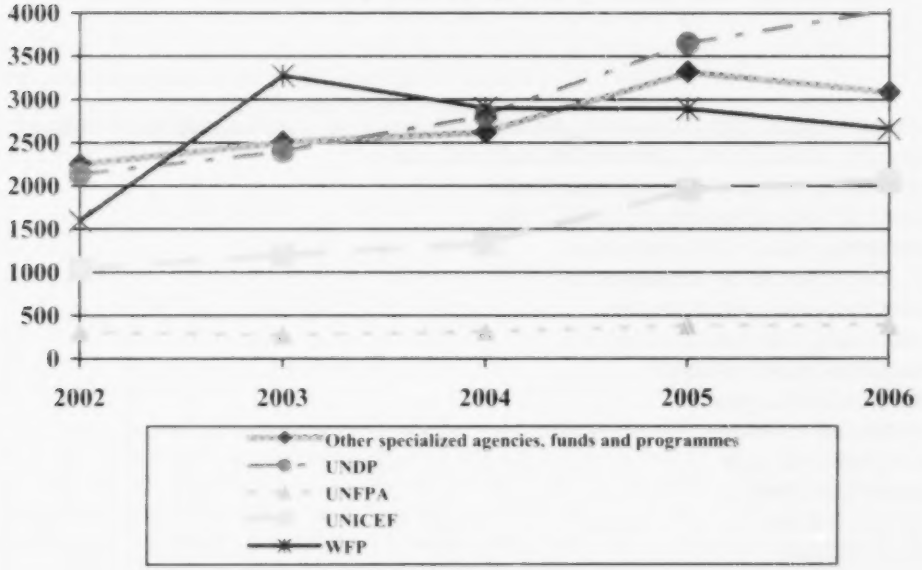
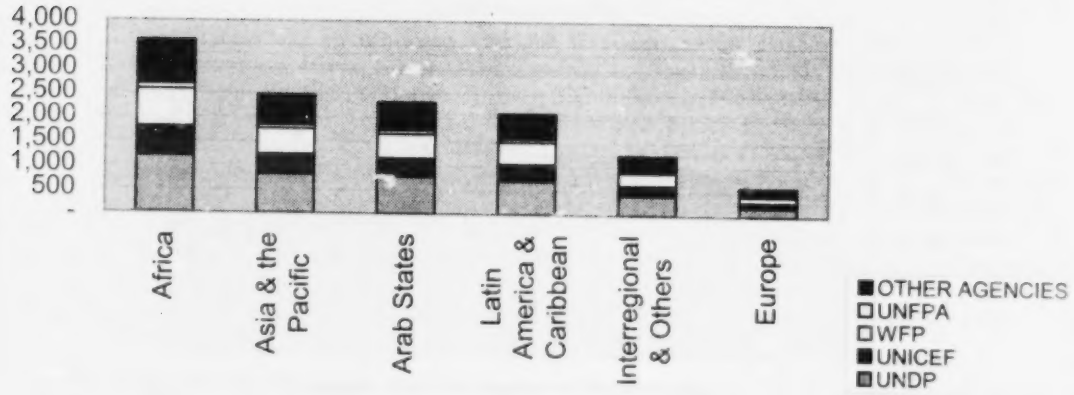
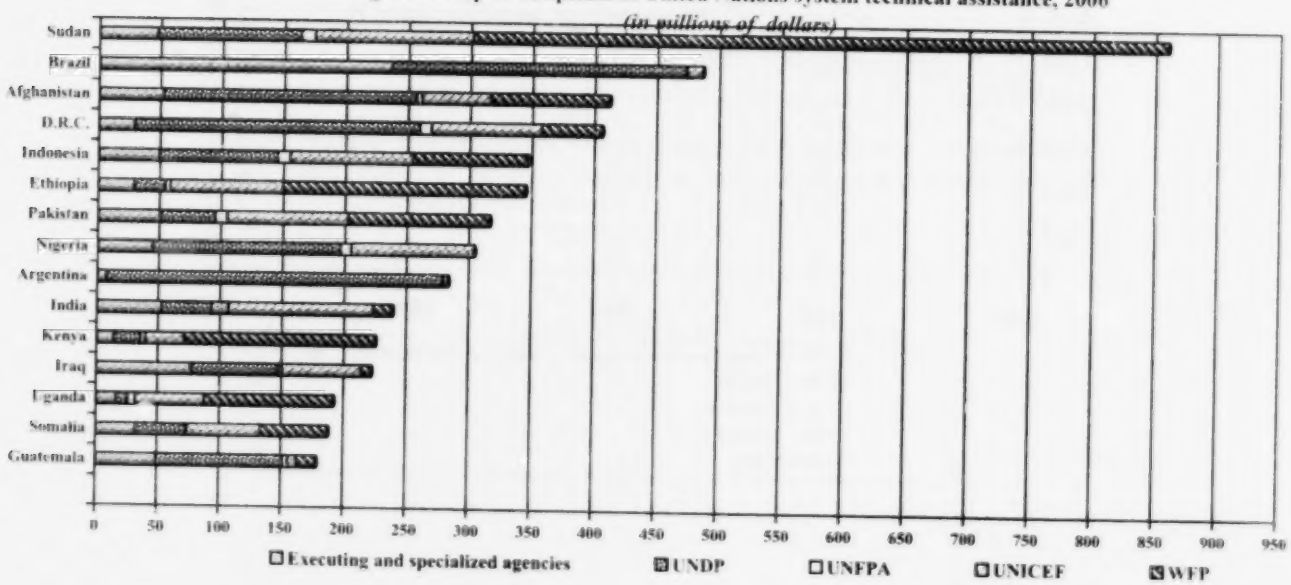


Figure 3. United Nations system technical cooperation 2006: geographic breakdown
(in millions of dollars)



4. Five countries received approximately 20 per cent of the total pool of United Nations system expenditures in 2006: Sudan – $858.8 million, Brazil – $485.5 million, Afghanistan – $410.6 million, Democratic Republic of Congo – $404.9 million, and Indonesia – $345.6 million. Figure 4 provides a schematic view of the top 15 recipients of United Nations technical cooperation.

Figure 4. Top 15 recipients of United Nations system technical assistance, 2006
(in millions of dollars)



5. Significant focus was directed to humanitarian assistance in 2006, as evidenced by the amounts disbursed within this sector. It accounted for $3.1 billion or 25 per cent of total technical assistance delivered. WFP contributed 13 per cent to this sector, with a delivery of $1.7 billion. The health sector was also high on the agenda of technical cooperation, receiving $1.9 billion or 16 per cent. In keeping with its mandate, UNFPA concentrated its activities on population projects and programmes, which totalled $392.1 million in 2006. This was a modest increase of $4.1 million over the 2005 delivery of $388.0 million. Finally, UNDP continued its concentration on general development issues, assigning $941.3 million from its central resources with $431.3 million from its administered funds ($1.4 billion in total).

II. Analysis of technical cooperation by organization

A. Other funds, programmes and specialized agencies

6. Expenditures funded from regular budgets witnessed a decrease in 2006 from $597.0 million in 2005 to $380.3 million or 36 per cent. Additionally, expenditures funded from extra-budgetary sources other than UNDP, UNDP-administered funds, UNFPA, UNICEF and WFP experienced a small decrease of 1 per cent from $2.73 billion in 2005 to $2.71 billion in 2006. Conversely, the specialized agencies, UNFPA and UNICEF, posted increases of 1 per cent and 6 per cent respectively. WFP reported a decrease of 8 per cent.

7. The analysis of the sectoral distribution indicated that humanitarian assistance, health, general development issues and education accounted for 64 per cent, equivalent to $7.9 billion of the aggregate of funds, programmes and specialized agencies development cooperation of $12.3 billion. The sectors obtaining lesser amounts of development assistance were culture with $65.3 million, communications and information with $74 million, energy with $98.9 million and human settlements with $110.5 million.

8. In 2006, Sudan continued to account for the highest proportion of resources delivered by the group of other funds, programmes and specialized agencies. Total technical cooperation delivered was $858.8 million equivalent to 7 per cent. Brazil followed Sudan, receiving a total of $485.5 million or 4 per cent. Afghanistan was also among the top recipients, receiving a total delivered expenditure of $410.6 million, equivalent to 3 per cent. Democratic Republic of Congo was fifth among the highest recipients, with $404.9 million or 3 per cent of total delivered technical assistance.

9. Total contributions received to do the work of delivering technical cooperation to programme varied among several categories within the executing organizations and specialized agencies area, ranging from a 17 per cent increase for NGOs, a 19 per cent decrease for bilateral assistance and a 26 per cent decrease for contributions directed to countries and territories. UNDP saw a small increase in voluntary contributions, rising from $914.5 billion in 2005 to $ 916.3 billion in 2006. UNFPA increased by 9 per cent from $483.8 million in 2005 to $529.1 million in 2006; while UNICEF reported an increase, rising from $2.5 billion in 2005 to $2.7 billion, equivalent of 4 per cent in 2006. WFP increased its contributions from $2.6 billion in 2005 to $2.7 billion in 2006, representing an increase of 7 per cent.

B. United Nations Development Programme

10. UNDP continued its upward trend in total programme delivery across the five-year period 2002 - 2006. Delivery was $1.5 billion in 2002, $1.7 billion in 2003, $2.0 billion in 2004, $2.5 billion in 2005 and finally $2.8 billion in 2006. In comparison to the 26 per cent increase in 2005, the 10 per cent increase in delivery registered in 2006 reflects a downward trend in the growth rate. There was a major shift in the distribution of expenditure emanating from regular and extra-budgetary resources dedicated to technical cooperation. For regular resources, there was a 9 per cent increase in 2006, versus the 17 per cent increase in 2005. Regular technical cooperation expenditure rose from $490.3 million in 2005 to $532.6 million in 2006. Programme expenditure relating to other resources also increased from $3.1 billion in 2005 to $3.4 billion in 2006 (a 10 per cent increase).

11. Contributions to UNDP regular resources recorded a modest increase from $914.5 million in 2005 to $916.3 million in 2006. This represented the smallest increase recorded in the last five years.

C. World Food Programme

12. WFP technical cooperation expenditure showed a further decline in 2006 from $2.9 billion in 2005 to $2.7 billion in 2006 - a reduction of 8 per cent. In 2003, WFP recorded a delivered cooperation expenditure of $3.3 billion. Since then, there has been a steady decline in its delivery of technical cooperation. WPF focused its resources almost entirely on humanitarian assistance. WFP expended $1.7 billion or 63 per cent of its resources in the humanitarian assistance sector. In 2006, five countries in the Africa region accounted for $609.7 million or 23 per cent of WFP delivered technical cooperation. They were as follows: Ethiopia with $194.4 million, Kenya with $153.1 million, Uganda with $103.3 million, Zimbabwe with $98.9 million and Zambia with $60.1 million. The Asia and Pacific region was the next largest region, with Pakistan receiving $113.3 million, Afghanistan $94.9 million, Indonesia $92.0 million and Bangladesh $49.5 million. These countries accounted for 13 per cent or $349.7 million of WFP delivered expenditure.

13. Voluntary contributions made to WFP increased from $2.6 billion in 2005 to $2.7 billion in 2006, an increase of 7 per cent.

D. United Nations Children's Fund

14. UNICEF technical cooperation expenditure grew from $1.9 billion in 2005 to $2.1 billion in 2006, representing an increase of 6 per cent. An analysis of the five-year trend in UNICEF technical cooperation expenditure ranged from $1.0 billion in 2002 to $2.1 billion in 2006. This agency has surpassed the $1 billion level for the fifth consecutive year. UNICEF directed $626.8 million to the humanitarian sector, and 30 per cent of its overall support to development assistance. Significant expenditure was also channelled to health-related activities: $513.1 million or 25 per cent. The three sectors of focus in UNICEF activities in 2006 were general development issues, which attracted $433.5 million, the health sector with $513.1 million, and social development with $125.9 million. These sectors combined accounted for $1.1 billion or 52 per cent of technical assistance recorded in 2006.

15. UNICEF continued to be one of the top donors to Africa and the Asia and Pacific region. Technical cooperation directed by UNICEF to the African region amounted to $862.3 million, equivalent to 42 per cent of total UNICEF delivery. This was followed by the Asia and Pacific region with $656.7 million or 32 per cent of total technical cooperation delivered. These two regions combined received $1.5 billion or 73 per cent of overall assistance. In 2006, Sudan and India received the largest dollar amount of technical assistance: $127 million and $116 million respectively. Other major recipients were Nigeria with $98.7 million, Indonesia with $98.4 million, Pakistan with $97.4 million and Ethiopia with $90.9 million.

16. Total contributions to UNICEF increased slightly by 4 per cent, from $2.5 billion in 2005 to $2.7 billion in 2006.

E. United Nations Population Fund

17. UNFPA technical cooperation expenditure rose by 1 per cent from $388.0 million in 2005 to $392.1 million in 2006. This was a small rise in delivery compared to that of 2005, when total UNFPA technical cooperation delivery rose by 22 per cent compared to the 2004 figure of $317.6 million. The focus of UNFPA attention continued to be on population activities. The regional distribution was as follows: Africa received $120.0 million or 31 per cent, Asia and the Pacific region $103.8 million or 26 per cent, Latin America and the Caribbean $49.0 million or 12 per cent, Arab States $39.8 million or 10 per cent, and Europe $13.2 million or 3 per cent. The highest recipient countries ranged from India with $13.9 million, Peru with $12.7 million and Sudan with $11.3 million, to Indonesia with $10.3 million and Mozambique with $10.1 million.

18. Voluntary contributions to UNFPA activities increased by 9 per cent, rising from $483.8 million in 2005 to $529.1 million in 2006. The growth between 2004 and 2005 was 22 per cent.

F. The World Bank/International Development Association

19. In place of specifically targeted expenditures for technical cooperation activities, the World Bank uses a combination of loans and grants related to assistance preceding, or combined with, large-scale programmes and projects. Funding for these activities is often provided from: (a) learning and innovation loans; (b) technical assistance loans; (c) institutional development funds; and (d) the development grant facility. Total expenditure for 2006 decreased dramatically from $336.6 million in 2005 to $162.3 million 2006, a decline of 52 per cent. In particular, IDA decreased from $266.6 million in 2005 to $71.5 million in 2006.

Annex. United Nations system: summary statistics on technical cooperation expenditure and contributions, 2002-2006 *(in millions of dollars)*

	2002		2003		2004		2005		2006	
A. Expenditure	$ millions	% a/	$ millions	% a/	$ millions	% a/	$ millions	% a/	$ millions	% a/
Executing and specialized agencies	2 251.7	10.6	2 510.3	11.5	2 623.1	4.5	3322.8	26.7	3 086.9	(7.1)
Regular budget	479.4	13.1	518.2	8.1	496.8	(4.1)	597.0	20.2	380.3	(36.3)
Extrabudgetary	1 772.4	9.9	1 992.1	12.4	2 126.3	6.7	2725.8	28.2	2 706.7	(0.7)
UNDP	2 138.0	5.5	2 401.6	12.3	2 816.7	17.3	3 652.9	29.7	4 040.7	10.6
Total programme	1 492.9	(2.2)	1 737.0	16.3	2 017.2	16.1	2 533.1	25.7	2 798.4	10.4
Regular	356.7	0.9	398.0	11.6	421.0	17.8	490.3	16.5	532.6	8.6
Government cost-sharing + GCCC	863.4	(11.0)	1 034.9	19.9	1 081.7	0.3	1 186.2	9.7	1 423.0	20.0
Third-party cost-sharing	272.8	34.8	304.0	11.4	514.5	67.9	858.6	66.9	842.7	(1.85)
Funds and administered trust funds	645.1	28.9	664.6	3.0	799.6	20.3	1 117.8	39.8	1 242.3	11.1
UNFPA	312.5	(0.4)	272.9	(12.7)	317.6	16.4	388.0	22.1	392.1	1.1
UNICEF	1 043.9	3.2	1 208.0	15.7	1 343.6	11.2	1 960.4	45.9	2 070.3	5.6
WFP c/	1 592.2	(10.4)	3 275.3	105.7	2 899.6	(11.5)	2 892.4	(0.2)	2 665.0	(7.9)
World Bank Group b/	-	-	374.5	-	271.6	(27.5)	336.6	23.9	162.3	(51.8)
World Bank	-	-	156.1	-	42.5	(72.8)	70.0	64.7	90.8	29.7
IDA	-	-	218.4	-	229.1	4.9	266.6	16.4	71.5	(26.8)
Other sources	-	-	-	-	-	-	-	-	-	-
Total (expenditures) excluding the World Bank Group	7 338.3	2.4	9 668.1	31.7	10 000.6	3.4	12 216.6	22.2	12 255.1	0.3
B. Contributions										
Agencies – Extra-budgetary	1 952.1	(1.6)	2 577.2	32.0	2 575.7	(0.1)	3574.5	24.1	3 505.7	(1.9)
Total bilateral	1 375.7	(12.2)	1 806.4	31.3	2 038.9	12.9	2 841.1	37.4	2 294.1	(19.3)
Countries/territories	1 075.4	(3.6)	1 384.0	28.7	1 567.1	13.2	2354.7	50.3	1 746.8	(25.8)
NGOs	99.3	(47.5)	188.7	90.0	207.8	10.1	167.2	(38.9)	196.3	17.4
Unilateral self-supporting (T10)	201.1	(23.3)	233.7	16.2	264.0	13.0	319.2	20.9	351.0	10.0
Total multilateral	576.4	38.1	770.8	33.7	536.8	(30.4)	733.4	(26.5)	1 211.6	65.2
United Nations system	411.4	37.7	549.4	33.5	278.1	(49.4)	357.5	(37.8)	292.6	(18.2)
Non-United Nations system	165.0	39.2	221.4	34.2	258.7	16.8	375.9	(14.3)	919.0	144.5
UNDP (Voluntary)	663.1	1.7	762.4	15.0	833.4	9.3	914.5	8.4	916.3	0.2
UNFPA (Voluntary)	312.0	(10.6)	334.6	7.2	406.6	21.5	483.8	19.0	529.1	9.4
UNICEF (Voluntary)	884.5	15.0	1 099.8	24.3	1 460.8	32.8	2 540.5	73.9	2 652.4	4.4
WFP (Voluntary) c/	1 622.0	8.1	2 471.2	52.4	1 898.7	(23.2)	2 572.6	35.5	2 741.0	6.5

a/ Represents percentage increase/decrease from previous year.

b/ After a two-year lapse, the World Bank submitted 2003 data.

Note: Contribution data refer to regular resources from contributions by Member States. Voluntary contributions comprise only one element of total income. In the case of UNDP, the elements other than this are: cost-sharing; funds and trust funds; government cash counterpart contributions; contributions to local office costs; extra-budgetary activities; and management services agreements. In the case of UNICEF, other elements of income include various private sources, inter-organizational arrangements and miscellaneous.

c/ WFP submitted revised expenditure and contributions data for 1996, 1997, 1998 1999, 2000 and 2001 and revised contributions data for 2002.

Note: Contribution data refer to voluntary contributions to regular resources from Member States. Voluntary contributions comprise only one element of total income. In the case of UNDP, the other elements are cost-sharing; funds and trust funds; government cash counterpart contributions; contributions to local office costs; extra-budgetary activities; and management services agreements. In the case of UNICEF, other elements of income include various private sources, inter-organizational arrangements and miscellaneous.